

SENATE BILL REPORT

ESCR 8402

As Passed Senate, March 31, 1999

Brief Description: Recommending establishment of an interagency task force to conduct a study of contingent work force issues.

Sponsors: Senators Franklin, Winsley, Fairley, Wojahn, Thibaudeau, Rasmussen, Jacobsen, Shin, Kohl-Welles, Spanel, Fraser, Gardner, Snyder, Kline, B. Sheldon, Prentice, Goings, Patterson, Loveland, Costa and McAuliffe.

Brief History:

Committee Activity: Labor & Workforce Development: 2/4/99, 2/11/99 [DPS, DNPS].
Ways & Means: 3/4/99, 3/5/99 [DPS (LWD)].
Passed Senate, 3/31/99, 29-17.

SENATE COMMITTEE ON LABOR & WORKFORCE DEVELOPMENT

Majority Report: That Substitute Senate Concurrent Resolution No. 8402 be substituted therefor, and the substitute concurrent resolution do pass.

Signed by Senators Fairley, Chair; Franklin, Vice Chair; Kline and Wojahn.

Minority Report: Do not pass substitute.

Signed by Senator Hochstatter.

Staff: Jill Reinmuth (786-7452)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 8402 as recommended by Committee on Labor & Workforce Development be substituted therefor, and the substitute bill do pass.

Signed by Senators Loveland, Chair; Bauer, Vice Chair; Brown, Vice Chair; Fairley, Fraser, Kline, Kohl-Welles, Rasmussen, B. Sheldon, Snyder, Spanel, Thibaudeau, West, Winsley and Wojahn.

Minority Report: Do not pass substitute.

Signed by Senators Rossi and Zarelli.

Staff: Brian Sims (786-7431)

Background: The effect of the growth in the number of contingent workers in Washington has not been studied.

Summary of Bill: The contingent workforce in Washington is studied by a contingent workforce task force. The findings and recommendations of the task force are reported to

the Labor & Workforce Development Committee of the Senate and the Commerce & Labor Committee of the House of Representatives by December 1, 1999.

The task force is led by the Department of Labor and Industries. The task force includes four legislators, two business representatives, and two labor representatives. The task force is advised by an advisory committee consisting of representatives from the Department of Labor and Industries, the Employment Security Department, the Workforce Training and Education Coordinating Board, the Department of Social and Health Services, and the Office of Financial Management.

Appropriation: None.

Fiscal Note: Available.

Testimony For: A study is needed to measure the growth in the contingent work force and identify policy changes needed to respond to that growth. A study is needed to determine why the economy is moving from full-time jobs with good benefits to contingent jobs with second class benefits and little, if any, job security.

Contingent workers are a new subclass of workers that earn lower wages, receive fewer benefits, and have less job security than permanent employees. Contingent workers will turn to public assistance for benefits that they once received from employers. Many contingent workers would prefer permanent, full-time jobs.

Contingent workers may be better able to balance work and family. Some contingent workers earn higher hourly pay and overtime pay. They are also paid for every hour worked.

Some temporary agencies only process paychecks. Other temporary agencies offer benefits. The practices and policies of the insurance industry make it difficult for temporary agencies to offer more benefits.

Testimony Against: The study should not assume that the contingent workforce is an enormous problem. The study should examine why employers are turning to contingent workers. Some contingent workers choose to be contingent workers. They are satisfied with their arrangements and their compensation. Most independent contractors prefer their arrangements to other options.

Testified: PRO: Robert Stern, Harold Abby, Washington State Labor Council; Marcus Courtney, Anne Newman, Heather MacRae-Woolf, Lisa Lewis, Washington Alliance of Technology Workers; Donna Sakson, S&T OnSite; Barbara McGinn, The Write Stuff; Peg Cheirrett, WASSER, Inc.; David West, Center for a Changing Workforce and Bendich, Stobaugh & Strong, P.C.; Wendy Rader-Konofalski, Vince Troccoli, Washington Federation of Teachers; CON: Emmet Skaar, private citizen; Clif Finch, Association of Washington Business.